

## INTERNAL CONTROL SYSTEM TEST AND OPERATIONAL RISK MANAGEMENT ASSESSMENT

1. **Command/Department:** \_\_\_\_\_

2. **Work Process/Assessable Unit:** \_\_\_\_\_

3. **Identify key metrics used to measure performance. Annotate the flowchart to show their location(s):** (Normally a work process will have two to three key metrics that show the level of progress towards achieving intended results.)

4. **Test the key metrics. Are they reliable indicators?** (If no, explain remedies in paragraph 7 below.)

5. **Way(s) internal controls tested:** (Perform and check one or more blocks.)

- ☐ Performed a physical inspection or walk through of the process.
- ☐ Reviewed documents.
- ☐ Interviewed cognizant managers.
- ☐ Evaluated data.

6. <b>Test results</b>	<b>YES</b>	<b>NO</b>
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a. Does the flowchart accurately reflect the process?	[ ]	[ ]
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b. Is the process producing intended results?	[ ]	[ ]
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c. Are protections against fraud, waste, abuse, and mismanagement practices adequate?	[ ]	[ ]
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d. Are laws and regulations followed?	[ ]	[ ]
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e. Is the process effective, efficient, and economical?	[ ]	[ ]
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f. Has an Operational Risk Management (ORM) Assessment been performed? (Refer to OPNAVINST 3500.39A, encl (1))	[ ]	[ ]
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(1) If YES, attach a completed NETC 5200/2.

If NO, explain why in paragraph 7 below.

(2) For the ORM Assessment, what is the overall Risk Assessment Code (RAC)? (check one)

- 1 = Critical [ ]
- 2 = Serious [ ]
- 3 = Moderate [ ]
- 4 = Minor [ ]
- 5 = Negligible [ ]

g. Are the internal controls acceptable for reducing risks?	[ ]	[ ]
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7. For any "NO" response above, indicate if any action is planned and expected completion date.

8. Does this process warrant reporting to higher authority as a material weakness? YES [ ] NO [ ]

9. Attested to by: \_\_\_\_\_ Date: \_\_\_\_\_  
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\_\_\_\_\_  
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